

**NEWFOUNDLAND AND LABRADOR  
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES**

**AN ORDER OF THE BOARD**

**NO. P.U. 27(2012)**

1 **IN THE MATTER OF** the *Electrical Power*  
2 *Control Act, 1994*, SNL 1994, Chapter E-5.1 (the  
3 “*EPCA*”) and the *Public Utilities Act*, RSNL 1990,  
4 Chapter P-47 (the “*Act*”), and regulations thereunder;

5  
6 **AND**  
7

8 **IN THE MATTER OF** an application by  
9 Newfoundland and Labrador Hydro for  
10 approval of the refurbishment of the Cat  
11 Arm Dams pursuant to Section 41 of the *Act*.

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13  
14 **WHEREAS** Newfoundland and Labrador Hydro (“Hydro”) is a corporation continued and  
15 existing under the *Hydro Corporation Act*, is a public utility within the meaning of the *Act*, and  
16 is subject to the provisions of the *EPCA*; and

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18 **WHEREAS** subsection 41(3) of the *Act* states that a public utility shall not proceed with the  
19 construction, purchase or lease of improvements or additions to its property where:

- 20  
21 a) the cost of construction or purchase is in excess of \$50,000; or  
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23 b) the cost of the lease is in excess of \$5,000 in a year of the lease  
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25 without prior approval of the Board; and

26  
27 **WHEREAS** under Orders No. P.U. 2(2012) and P.U. 5(2012) the Board approved Hydro’s 2012  
28 Capital Budget; and

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30 **WHEREAS** the Board approved supplementary 2012 capital expenditures in:

- 31  
32 (i) Order No. P.U. 24(2012) in the amount of \$492,100 for the refurbishment of the  
33 Cat Arm Road;  
34 (ii) Order No. P.U. 25(2012) in the amount of \$5,192,600 for the Stephenville Gas  
35 Turbine Alternator Rewind and Upgrade; and  
36 (iii) Order No. P.U. 26(2012) in the amount of \$1,616,500 for the increase in  
37 generating capacity at Mary’s Harbour; and

1 **WHEREAS** on August 7, 2012 Hydro applied to the Board requesting approval of the  
2 supplemental capital expenditure for the refurbishment of the Cat Arm Dams at a cost of  
3 \$3,155,000; and  
4

5 **WHEREAS** the riprap layer of three dams on the reservoir for Hydro's 127 MW Cat Arm hydro  
6 electric generating station have sustained damage in 2012 from erosion and require repair so as  
7 to prevent further damage from occurring; and  
8

9 **WHEREAS** Hydro states that delaying the refurbishment beyond the autumn of 2012 will  
10 expose the dams to further damage and will require operation of the Cat Arm hydro-electric  
11 generating station at lower than optimal reservoir levels; and  
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13 **WHEREAS** the Board issued Information Requests on August 10, 2012 and responses were  
14 filed by Hydro on August 17, 2012; and  
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16 **WHEREAS** the Board requested comments from interested parties in relation to this project by  
17 August 22, 2012; and  
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19 **WHEREAS** the Consumer Advocate did not have any comments on the Application; and  
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21 **WHEREAS** Newfoundland Power did not have any objection to the approval of the project; and  
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23 **WHEREAS** the Industrial Customers did not oppose the Application but request a copy of the  
24 Tap Root Analysis currently ongoing by Hydro; and  
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26 **WHEREAS** the Board has reviewed the Application and all supporting documentation, and is  
27 satisfied the proposed refurbishment of the Cat Arm Dams should proceed to ensure the  
28 generating capacity of the Cat Arm hydro-electric generating station is not compromised.  
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31 **IT IS THEREFORE ORDERED THAT:**  
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- 33 1. The proposed capital expenditure of \$3,155,000 for the refurbishment of the Cat Arm  
34 Dams is approved.
- 35 2. Hydro shall pay all expenses of the Board arising from this Application.  
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**DATED** at St. John's, Newfoundland and Labrador this 28<sup>th</sup> day of August, 2012.



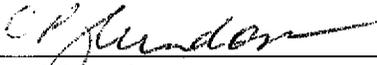
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Andy Wells  
Chair & Chief Executive Officer



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Darlene Whalen, P.Eng.  
Vice-Chair



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Cheryl Blundon  
Board Secretary